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SPECIAL
Earnings Per Common Share
Dividend Announcement Within



HAMILTON TRUST AND SAVINGS CORPORATION

INTERIM REPORT

For the Six Month Period Ending April 30, 1971.



HAMILTON TRUST AND SAVINGS CORPORATION

Incorporated under The Loan and Trust Corporations Act of Ontario

BALANCE SHEET AS (Unaudited)

ASSETS

	1971 \$	1970 \$
Cash and Bank Term Deposit Receipts	4,103,979	3,317,521
Customers' cheques in transit	253,860	248,158
Demand Loans fully secured	1,000,901	700,218
Securities (1)		
Federally Guaranteed Bonds	762,078	1,358,244
Provincially Guaranteed Bonds	1,893,300	1,239,040
Municipal Bonds	168,268	168,082
Corporate Bonds	55,066	23,000
Provincially Guaranteed Notes	403,717	807,507
Corporate Stocks	93,070	47,516
First Mortgages	38,380,212	27,748,122
Collateral Loans	216,700	289,752
Other Assets	27,937	29,461
Fixed Assets at cost less accumulated depreciation	674,008	669,869
	<hr/>	<hr/>
Total Capital and Guaranteed Account Assets	48,033,096	36,646,490
	<hr/>	<hr/>
ESTATES, TRUSTS AND AGENCIES		
Cash, Securities, Mortgages and Other Assets	8,991,031	6,402,229
	<hr/>	<hr/>
Total	57,024,127	43,048,719

APRIL 30, 1971

d)

LIABILITIES AND CAPITAL

	1971 \$	1970 \$
Guaranteed Account—Trust funds on deposit	15,404,812	12,376,404
—Investment certificates	27,978,845	21,485,460
	<hr/> 43,383,657	<hr/> 33,861,864
Accounts Payable and Accrued Interest	1,662	—
Income Tax and sundry liabilities	161,524	41,304
Deposits on mortgage realty taxes	375,702	242,463
Mortgage payable—6½% due July 1, 1984	266,821	278,875
	<hr/> 44,189,366	<hr/> 34,424,506
Deferred Income Taxes (2)	<hr/> 159,964	<hr/> 60,862
Shareholders' Equity		
Capital Stock (3 & 4)		
Issued: 187,673 common shares fully paid	1,876,730	1,873,280
48,287 common shares partially paid	48,287	48,632
150,000 7% Cumulative Redeemable		
Convertible First Preference Shares		
Series A	1,500,000	—
General Reserve	125,000	100,000
Retained Earnings	133,749	139,210
	<hr/> 3,683,766	<hr/> 2,161,122
Total Capital and Guaranteed Account Liabilities	<hr/> 48,033,096	<hr/> 36,646,490
ESTATES, TRUSTS AND AGENCIES		
Assets Under Administration	8,991,031	6,402,229
Total	<hr/> <hr/> 57,024,127	<hr/> <hr/> 43,048,719



HAMILTON TRUST AND SAVINGS CORPORATION

HIGHLIGHTS SIX MONTHS ENDED 30 APRIL

	1971	1970	% Increase
Assets	\$57,024,127	\$43,048,719	32
Deposits	43,383,657	33,861,864	28
First Mortgages	38,380,212	27,748,122	38
Earnings	135,485	65,862	106
Earnings per common share	61¢	34¢	79

**Dividends—Preferred— $23\frac{2}{5}\%$ per share on 1 July next—record 1 June.
Common—25¢ per share on 15 Sept. next—record 16 August.**

To Shareholders:

On behalf of the Directors, I am pleased to report record earnings for the 6 months ended 30 April last. The significant growth of your Company is reflected in the foregoing highlights. In line with this growth, the semi-annual dividend payable on fully paid common shares has been increased from 22c to 25c.

During the period, the capital base of the Company was increased by \$1,500,000 through the successful completion of a Preference Share offering. We are most pleased to welcome over 300 new shareholders as a result of this issue.

In late March, an office was opened in Toronto for the sale of Guaranteed Investment Certificates and to make mortgage loans in Metropolitan Toronto. This office is making reasonable progress.

Currently demand for mortgage funds is heavy and it is reasonable to expect a good increase in our mortgage portfolio over the balance of the fiscal year.

The steady progress and development of the Company is the result of the combined efforts of shareholders, staff, Advisory Board and Directors working as a team. May I thank each of you for your personal efforts on behalf of Hamilton Trust and solicit the continued assistance of yourself and your friends.

Sincerely,

Halliwel Luke

*Hamilton, Ontario,
May 29, 1971.*

President.

Please notify the Company if you have changed your address.



BRANCHES TO SERVE YOU

HAMILTON	—75 JAMES STREET S.	—525-2121
	665 UPPER JAMES	—389-1305
	1053 KING ST. W.	—528-0423
	335 OTTAWA ST. N.	—547-0117
TILLSONBURG	—161 BROADWAY	—842-8401
TORONTO	—69 YONGE STREET	—360-1770

HAMILTON TRUST AND SAVINGS CORPORATION

MEMBER CANADA DEPOSIT INSURANCE CORPORATION

STATEMENT OF EARNINGS AND RETAINED EARNINGS
FOR THE 6 MONTHS ENDED 30 APRIL
(Unaudited)

	1971 \$	1970 \$
Gross Revenue	2,035,200	1,464,154
Expenses		
Interest on Deposits	1,324,681	977,479
Operating	397,933	338,749
Depreciation	33,000	29,000
	1,755,614	1,345,228
Earnings before tax	279,586	118,926
Provision for Income Taxes		
Current	96,437	16,302
Deferred (2)	47,664	36,762
	144,101	53,064
Net Earnings for period	135,485	65,862
Retained Earnings—beginning of period	160,883	111,495
Premium on shares issued during period	223	273
	296,591	177,630
Dividends paid or accrued during period		
Common shares	42,316	38,420
Preference shares	17,548	—
Expenses of public issue	102,978	—
	162,842	38,420
Retained Earnings—end of period	133,749	139,210
Earnings per common share	.61¢	.34¢

NOTES:

- (1) Securities are carried at amortized cost and total \$3,375,499. The market value as at 30 April, 1971 was \$3,162,011.
- (2) The credit for deferred income taxes arises from claiming mortgage reserves in excess of amounts provided in the accounts. 1970 earnings are restated to exclude any credit for deferred income taxes in order to present this statement on a consistent and comparative basis.
- (3) By Order-in-Council O/C 251/71, dated 21 January, 1971, the authorized capital of the Company was increased to \$25 million consisting of 2,000,000 common shares of the par value of \$10 each and 500,000 First Preference Shares of the par value of \$10 each, of which 150,000 Preference Shares were designated 7% Cumulative Redeemable Convertible First Preference Shares Series A. All of the said 150,000 Preference Shares so designated were issued and fully paid pursuant to a prospectus dated 5 February, 1971.
- (4) At 30 April 1970, there were issued and outstanding 187,328 fully paid and 48,632 partially paid common shares.